REMARKS

The above Amendments and these Remarks are in response to the Office action mailed Dec. 13, 2007. Applicant has amended claims 1 and 7-9, canceled claim 2 without prejudice, and added a new claim 10. No new matter is added. Claims 1 and 3-10 are pending in the application.

Applicant appreciates Examiner's careful review and consideration of the present application.

Claim Rejections Under 35 U.S.C. 103

Claims 1-9 were rejected under 35 U.S.C. 103(a) as being unpatentable over Horne, Pat. No. US 7,058,587.

In response to the above rejections, Applicant has amended claim 1 by including the limitation of claim 2 therein. Accordingly, claim 2 has been canceled without prejudice. Other claims have been amended to correct informalities and to more appropriately express the subject matter thereof.

Applicant requests reconsideration and removal of the rejections and allowance of claims 1 and 3-10, for at least the following reasons:

Claims 1-4

Claim 1, as amended, recites in part:

> "a computing unit configured for calculating material requirement quantities and available inventories according to obtained data, and for determining quantities of material shortage according to the material requirement quantities and the available inventories."

Applicant submits that Horne does not teach, or otherwise suggest the invention having the above-described feature as set forth in amended claim 1.

Horne discloses that "[...] When determining the Possible Date, the RESO 300 may determine an Available Date. The Available Date is calculated as the Supply planner 200 run date plus the longest lead-time of any shortage part. If the Possible Date is equal to the Supply planner 200 run date, this means that there are no shortage parts, and the organization has, in current inventory, all of the parts required to satisfy the Schedule Sequence Number. If the Available Date is greater than the Need Date for the Schedule Sequence Number then there is a part shortage.' (col. 34, line 6-15) According to the disclosure above, Applicant acknowledges that a method for determining whether shortage occurs is disclosed by Horne. However, in Horne, parts shortages are determined by comparing dates, such as a possible date and an available date etc, and not by the claimed feature of the "computing unit" of amended claim 1. The computing unit determines whether material shortages occur *by calculating material requirement quantities and available inventories*. Such feature is supported by at least paragraph [0013] of the present application, and not mentioned and suggested by Horne.

Accordingly, Applicant submits that Horne does not teach or suggest the limitation of "a computing unit configured for ***calculating material requirement quantities and available inventories according to obtained data, and for determining quantities of material shortage according to the material requirement quantities and the available inventories***," as recited in amended claim 1 of the present application.

Furthermore, claim 1, as amended, recites in part:

> "a material adjustment unit configured for allotting the related distributed inventories to replenish the available inventories when it is necessary to adjust the distributed inventories."

Applicant submits that Horne does not teach, or otherwise suggest the invention having the above-described feature as set forth in amended claim 1.

Horne discloses "[A] procurement system 70 is generally a simple yet powerful client/server system. Based on information that has been imported from the host MRP

system, the procurement system 70 asks suppliers to commit to projected requirements. Requests are sent in the form of an electronic forecast that asks, 'Can someone supply these parts, in these quantities, on these dates?' The procurement system 70 collects and analyzes all supplier responses relative to scheduled projections and flex ranges, reporting exceptions as necessary. The procurement system 70 treats all supplier responses as commitments, whether a request can be met or not. In the event of an exception, buyers can use the procurement system 70 to adjust the commitment until the shortage is resolved." (col. 5, lines 66-67, and col. 6, lines 1-13) According to the disclosure above, Applicant acknowledges that Horne discloses a method of replenishing shortage by purchasing the shortage material.

Horne further discloses that "[o]nce a supply quantity of a given part has been allocated to a demand, that quantity is no longer available for allocation to any other demand" (col. 23, lines 21-24). Accordingly, Applicant asserts that the disclosure of Horne definitely indicates that the "reallocated method" is not adopted.

However, the present application not only discloses that the method of purchasing the shortage material is adopted to replenish shortages, but also discloses that the method of *allotting related distributed inventories* is adopted to replenish available inventories.

Accordingly, Applicant submits that Horne does not teach or suggest the limitation of "a material adjustment unit configured for ***allotting the related distributed inventories to replenish the available inventories*** when it is necessary to adjust the distributed inventories," as recited in amended claim 1 of the present application.

For at least the reasons above, Applicant submits that Horne does not disclose, teach, or suggest the invention having the above-described features, as currently set forth in amended claim 1. Accordingly, amended claim 1 is unobvious and patentable over Horne under 35 U.S.C. § 103 (a).

Since Applicant has canceled claim 2 without prejudice, the rejection relating to claim 2 is now moot.

Claims 3-4 depend from independent claim 1, and respectively recite additional subject matter. Therefore, Applicant submits that claims 3-4 are also allowable.

Claims 5-8 and 10

Claim 5 recites in part:

"calculating a shortage quantity of the material; [and]

allotting the distributed inventory of the material if it is necessary to adjust the distributed inventory".

For at least related reasons similar and corresponding to those asserted above in relation to amended claim 1, Applicant submits that Horne does not disclose, teach, or even suggest the invention having the above-described features, as currently set forth in claim 5. Accordingly, claim 5 is unobvious and patentable over Horne under 35 U.S.C. §103 (a).

Claims 6-8 and newly added claim 10 depend from independent claim 5, and respectively recite additional subject matter. Therefore, Applicant submits that claims 6-8 and 10 are also allowable.

Claim 9

Claim 9, as amended, recites in part:

"(c) calculating a shortage quantity of said material in inventory based upon a scheduled production plan of the order; [and]

(d) if shortage, purchasing the material or reallocating the material, which is currently designated to another manufacturing order, to the order".

For at least related reasons similar and corresponding to those asserted above in relation to amended claims 1 and 5, Applicant submits that Horne does not disclose, teach, or even suggest the invention having the above-described features, as currently set forth in amended claim 9. Accordingly, amended claim 9 is unobvious and patentable over Horne under 35 U.S.C. §103 (a).

CONCLUSION

Applicant submits that the foregoing Amendment and Response place this application in condition for allowance. If Examiner believes that there are any issues that can be resolved by a telephone conference, or that there are any informalities that can be corrected by an Examiner's amendment, please call the undersigned at 714.626.1224.

Respectfully submitted,
Hung-Shan Wei

By / Frank R. Niranjan/ March 13, 2008

Frank R. Niranjan
Registration No.: 41,572
Please recognize the application with Customer No. 25,859
Foxconn International, Inc.
P.O. Address: 1650 Memorex Drive, Santa Clara, CA 95050
Tel No.: (714) 626-1224
Fax No.: (714) 738-4649